CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 222/MP/2015

Subject : Petition under Regulation 24 read with Regulation111 of the Central

Electricity Regulatory Commission (Conduct of Business) (Amendment) Regulations, 2009 and Regulation 35 (Power to Relax) and Regulation 36 (Removal of Difficulty) of RLDC fees and

charges Regulations, 2015.

Date of hearing: 6.11.2015

Coram : Shri Gireesh B. Pradhan, Chairperson

Shri A.K. Singhal, Member Shri A.S. Bakshi, Member Dr. M.K. Iyer, Member

Petitioners : Power System Operation Corporation Ltd.

Respondents: Uttar Pradesh Power Corporation Ltd. and others

Parties present: Shri R.K.Bansal, POSOCO

Shri K.V.S Baba, POSOCO Shri S.S.Barpanda, POSOCO Shri R.Piplonia, POSOCO Ms. Supriya Siongh, NLDC Shri Rajiv Porwal, NLDC Ms. Abiha Zaidi, NLDC Shri M.K.Gupta, NLDC

Record of Proceedings

The representative of the petitioner submitted that the present petition has been filed for invoking Regulation 35 "Power to Relax" for relaxation of Regulation 12 (3) of the Central Electricity Regulatory Commission (Fees and Charges of Regional Load Despatch Centre and other related matters) Regulations, 2015 (RLDC Fees and Charges Regulations) to allow the petitioner to utilize the LDC development fund for funding of training for system operators from SLDCs for capacity building programmes conducted by NPTI and funding of Corporate Social Responsibility (CSR) activities. He further requested to delete the word 'depreciation' from Regulation 12 and to allow the computation of the same in accordance with the provisions of Regulation 19 of the RLDC Fees and Charges Regulations.

- 2. The representative of petitioner further submitted that for training programmes, the travel expenses are borne by SLDCs. The LDC Fund is utilized towards creation of new assets, replacement of assets, as equity portion and also as borrowings towards the debt portion.
- 3. In response to the Commission's query regarding monitoring of functions of trained personnel, the representative of the petitioner submitted that although POSOCO does not monitor or track the functioning of the trained personnel of SLDCs, it generally insist that the trained Executives be retained by SLDCs and not be transferred to some other places. The Commission advised the petitioner to obtain an undertaking from SLDCs that the trained Executives would work with the SLDCs for at least 1 to 1½ years.
- 4. The Commission further observed that the issue of depreciation would be examined and directed the petitioner to comply with the provisions of Companies Act, 2013 to meet expenditure towards CSR activities.
- 5. The Commission directed the petitioner to confirm, on affidavit, by 18.12.2015 that during the period 2009-14, POSOCO did not book the expenditure towards the training programme for SLDC's Executives under O&M expenses and it was adjusted from LDC Fund. The Commission directed that due date of filing the confirmation shall be strictly complied with and no extension on that account shall be granted.
- 6. Subject to the above, the Commission reserved the order in the petition.

By Order of the Commission

Sd/-(T. Rout) Chief (Law)